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**QNI CONFLICTS OF INTEREST POLICY**

1. Background
	1. This policy applies to both the Trustees of the Institute and its senior management team, and it sets out the procedure for identifying, monitoring, and managing actual and potential conflicts of interest.
	2. The Institute’s Terms of Reference for Council and Standing Orders set out 5.5.3 the procedure in relation to conflicts of interest. In addition, the Charity Commission considers it good practice for charity trustees to implement a conflicts of interest policy[[1]](#footnote-1). This policy should be read in conjunction with the Institute’s Royal Charter, Terms of Reference of Council and Standing Orders all of which take precedence over this policy.
	3. The Trustees have a duty to act in the best interests of the Institute. They must not place themselves in a position where they have, or may have, a direct or indirect interest that conflicts with their duties as trustee and must not benefit from their position as trustee.
	4. The Trustees should therefore not be involved in, or in any way influence, decisions where their personal interests and those of the Charity conflict or might conflict. This may include the interests of a family member.
	5. All Trustees shall be asked to sign a Conflicts of Interest Statement upon their appointment (as set out in Appendix 1) and will be expected to update this Statement as and when required, but at least on an annual basis.
2. Declaring Conflicts
	1. While trustees are asked to declare their interests to the Charity on appointment as a Trustee and at least annually they are also expected to declare any such actual or potential conflict for each and every agenda item where a conflict may occur.
	2. Trustees are invited by the Chair to declare any conflicts at the start of each Trustees' meeting. A Trustee should declare their conflict at this stage where possible or at the beginning of the relevant item of business.
	3. The conflicted Trustee must generally withdraw from any subsequent discussion on the matter and generally shall not be permitted to vote (see paragraph 3 below).
	4. If there is any doubt as to whether or not a conflict exists, this should be raised with the Chair of the meeting whose decision shall be final, having regard to relevant law and guidance, the Institute’s Terms of Reference for Council and this policy.
	5. In exceptional circumstances it may be decided upon at a meeting of the Trustees at the relevant time that the relevant individual is not required to withdraw from the discussion and may also be permitted to vote.
3. Decisions taken where a Trustee has an Interest
	1. Where the Trustee have to make a decision on a question in which an individual Trustee or Trustees has or have an interest, subject to paragraph 3.2 the interested Trustee(s) shall:
		1. be absent from the meeting for that item unless expressly invited to remain by the Chair; and
		2. not vote and not be counted in the quorum for the purposes of making that decision.
	2. There are certain circumstances in which a Trustee's conflict may be authorised by the remaining Trustees. These circumstances will vary depending on the type of conflict that exists. Different types of conflict are set out below.
	3. Where a Trustee has a financial or non-financial interest in a proposed transaction of the Institute (as detailed in paragraphs 5 to 7 below), the Trustee will be required to withdraw from the discussion and decision-making process. They will no longer count towards the meeting quorum
	4. Where a Trustee has a conflict of duty or loyalties (as detailed in paragraph 8 below) the Council Terms of Reference permit the conflict where:
		1. the situation could not reasonably by regarded as likely to give rise to a conflict of interest; and

OR

* + 1. it is authorised by the remaining Trustees taking a quorate decision, considering the matter with the Trustee in question absent and not voting on the matter.
1. Identifying a Conflict of Interest
	1. Conflicts of interest may come in several different forms:
		1. Direct financial gain or benefit to the Trustee;
		2. Indirect financial gain, such as the employment by the Charity of a relative or family member of the Trustee;
		3. Non-financial gain, such as where a Trustee benefits from work carried out by the Charity; and
		4. Conflict of loyalties, such as where a Trustee is also a trustee of another charity providing similar services/activities in the same area, or has some other personal or familial loyalty in a matter relevant to the work of the Charity or a particular matter it is considering.
2. Direct Financial Gain or Benefit to a Trustee
	1. An example of this would be a payment to a Trustee for services provided to the Charity. This may be an in-direct payment to a company in which the Trustee is a Director or Share Holder. Any such payment would need to be authorised following due diligence and in according with charity and company law and the conflict of interest should be properly managed. The procedures in paragraphs 2 and 3 should, therefore, be followed.
3. Indirect Financial Gain or Benefit to a Trustee
	1. The most common situation in which a Trustee will receive an indirect financial benefit from the Charity is when a family member is employed by the Charity. This would also apply where a family member is due to receive some other payment from the Charity in return for providing goods or services. If the Trustee is wholly or partially dependent upon the financial support of their spouse or partner, the payment could be seen as directly benefitting the Trustee concerned. Even if the Trustee has other income, but the two live together and share household bills, etc., then the payment received is deemed to contribute to their “joint purse” and the Trustee is still receiving some benefit through the contribution to the Trustee's expenses. This also applies in other family relationships.
	2. Not only will the payment need to be authorised, but the procedures set out in paragraph 2 and 3 should be followed as well as Charity Commission guidance.
4. Non-Financial Gain – Benefitting from the Charity's Work
	1. Some Trustees of the Charity may also benefit from the Charity carrying out its work (including through the benefit to a member institution with which a Trustee is connected). This can sometimes create conflicts of interest where a decision taken by the Council will have a consequential or direct impact on the Trustee concerned.
	2. Essentially, the question is whether the decision to be taken by the Trustees will confer a direct and quantifiable benefit on the Trustee (who also benefits) which is exclusive to them and which is not shared with other people.
	3. A Trustee may also have relatives who are users of the Charity’s services and in such cases a conflict of interest could arise as well.
	4. Usually, Trustees can take part in decisions which involve charitable benefits which could affect them, but they should declare their interest at the outset and it should be recorded.
	5. If the remaining Trustees feel that a circumstance gives rise to a significant (and that will depend on the facts) conflict of interest, then they may ask the Trustee to leave the meeting at the point where it is discussed and not take part in the vote, etc.
5. Conflict of Duty or Loyalties
	1. Trustees should bear in mind that when they are dealing with the business of the Charity, their overriding duty is to act in the best interests of the Charity. There may be situations where a Trustee’s loyalty to the Charity conflicts, or could be perceived to conflict, with their loyalty to another charity of which they are also a Trustee or a member of staff. There may also arise where a Trustee's loyalty to the Charity conflicts with their loyalty to their employer, where they are a senior employee or officer of that employer.
	2. The nature of such conflicts of loyalty will vary and will be determined by whether a Trustee's personal or wider interests could, or could be perceived to, influence the Trustee's decision making. These conflicts should not prevent anyone from being a Trustee, but they can occasionally cause conflicts of interests.
	3. Any Trustee who has a conflict of loyalties should declare it from the outset and it should be included in the register of interests (see below). They should also follow paragraphs 2 and 3. This will help to ensure transparency and avoid any accusations of impropriety.
	4. On occasion, the other Trustees may think there is such a low degree of risk of a conflict arising that they ask that Trustee to remain and take part in the discussions and provide information in relation to the same.
	5. Trustees are reminded that all business discussed in Council and Sub-Committee meetings as well as strategy days is confidential and must not be disclosed to others
6. Reporting Decisions where a Conflict of Interest has been Declared
	1. All decisions where a conflict of interest has been declared will be reported in the minutes of the meeting. The minutes will record:
		1. The nature and extent of the conflict;
		2. An outline of the discussion; and
		3. The actions taken to manage the conflict.
	2. All conflicts of interests shall be recorded by the Executive Assistant / Office Manager or deputy.
	3. Where a Trustee benefits from such a decision, this will be reported in the Annual Report and Accounts in accordance with the Charities SORP (FRS 102).
7. Training
	1. All newly appointed Trustees will receive training on this policy and on identifying situations that may result in a conflict and ways in which conflicts can be managed in practice. In addition, Trustees must be familiar with the principles contained in the Charity Commission's guidance on conflicts.
8. Adoption, Variation and Enforcement
	1. Any Trustee who becomes aware of a breach of this policy must report it to the chair as soon as possible.
	2. The chair must:
		1. report all breaches of the policy of which they are aware to the Trustees at the next Trustee meeting; and
		2. ensure that all breaches are noted in the minutes of the relevant Trustee meeting.
	3. The Trustees have implemented this policy in order to monitor and manage conflicts of interest. Any failure to comply with the terms of this policy could result in disciplinary action.
	4. The Policy is adopted by the Council of Trustees and may be amended form time to time with the approval of the Council.

Approved by Council:

Review:

Version 1.0

*This policy is based on the Policy of the Council of Deans for Health and the QNI is indebted to the Council for allowing us to use their policy as a framework.*

**Appendix 01**

**TRUSTEE INTERESTS AND CONFLICTS OF INTEREST**

**The Queen’s Nursing Institute Declaration of Interest Form**

I as a Trustee of the Organisation have set out below my interests and those which I am aware of any connected party which may or might be perceived to give rise to conflicts of interest or conflicts of duty, in accordance with the Organisation’s Conflict of Interest Policy:

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| --- | --- |
| **Category** | **Please give details of the interests, relationships, involvements and duties and whether they apply to you or to a person or organisation who is connected to you (a ‘connected person’)** |
| Current business, employment or professional activity and any previous such activity in which you continue to have an interest |  |
| Appointments (voluntary or otherwise) e.g. trusteeships, directorships, local authority roles and memberships |  |
| Membership of any professional bodies, groups, political parties or other organisations |  |
| Investments in companies, partnerships and other forms of business, or beneficial interests in trusts, unless you have less than 1% of the issued share capital or a 1% interest therein |  |
| Gifts or hospitality or other inducements offered to you by external bodies and whether this was declined or accepted in the last twelve months |  |
| Any transactions or contractual relationships with The Queen’s Nursing Institute  |  |
| Any other conflicts of interest or duty that are not covered by the above |  |

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis.

Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. The Charity Commission's guidance on conflicts of interest (CC29) is available here: <https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29> [↑](#footnote-ref-1)